

JISL/SEC/2019/06/B-6

11th June, 2019

To,
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051.
Fax No. : 022-26598237/38
Email : cc@nse.co.in

Ref: JISLJALEQS (NSE) for Ordinary Equity Shares & JISLDVREQS (NSE) for DVR Equity Shares

Sub: Clarification/Confirmation on news item appearing in "www.dsij.in".

Dear Sir/Madam,

Please refer to your email dated 11.06.2019 please take the following clarification and response on your record;

The Company has intimated to Stock Exchanges on 30.05.2019 vide letter no. JISL/SEC/2019/05/B-2/B-6 at 10.14 PM and again in the investor presentation for Q4/FY 2019 about decisions of Board taken in the meeting held on 30.05.2019, including the decision of the Company to achieve reduction in the long term debt of the Company by at least INR 2000 Crores and for this purpose to appoint investment bankers by 30 September 2019 to explore and implement one or more corporate actions which will include demerger, disinvestment and equity infusion in our piping business, food business of subsidiary and overseas irrigation entity to achieve the debt reduction.

The letter and presentation are also placed at the website of the Company. (http://www.nseprimeir.com/Pages/corp_announcement.aspx?value=3cYDU7170mvM600MSHCcMw==)

Shri Anil B. Jain, Vice Chairman and Managing Director of the Company had appeared on CNBC TV18 and attached is the transcript of interview of Shri Anil B. Jain with CNBC anchors, held yesterday at 3.00 PM. He has articulated the Board decision and the process and rationale behind such decision.

The news-article referred to in your email appears to be incorrect As clearly set out in the Company's Board decision, the Company is in the process of identifying investment bankers, and following consultations and advice of investment bankers, the Company will decide the nature of the corporate actions it may take for fund-raising in order to reduce its long-term debt.

The share price of the Company was down by almost 13% on 10.06.2019 and up by 9.24% on 11.06.2019 and we believe it is speculative forces at play on both sides.

We trust the information hereby provided responds to all your queries raised in above referred email. However, we shall be glad to provide any further information or documents as may be required.

Thanking you,
Yours faithfully,
For Jain Irrigation Systems Limited,



A.V. Ghodgaonkar
Company Secretary

JISL/SEC/2019/05/B-2/B-6

30th May, 2019

To,
Bombay Stock Exchange Ltd.,
Corporate Relationship Department,
1st Floor, New Trading Wing, Rotunda
Building, P. J. Tower, Dalal Street,
Mumbai - 400 001.
Fax No.022- 22723121/22722037(Day)
022-22721072 (Night)
Email: corp.relations@bseindia.com

To,
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051.
Fax No. : 022-26598237/38
Email : cc@nse.co.in

**Ref: Code No. 500219 (BSE) & JISLJALEQS (NSE) for Ordinary Equity Shares
Code No. 570004 (BSE) & JISLDVREQS (NSE) for DVR Equity Shares**

**Sub: Disclosure of Material Events under Regulation 30 of SEBI (Listing Obligations
and Disclosure Requirements) Regulations, 2015.**

Dear Sir/Madam,

The Board of Directors in the meeting held today have taken the following decisions:

- 1) Mr. Vasant V. Warty (Independent Director) of the Company had resigned on 31st March, 2019, his resignation was accepted formally by the Board.
- 2) The Board of Directors have mandated the Managing Director to achieve reduction in the Long Term Debt of the Company and its subsidiaries by at least Rs. 2,000 crores within 12 to 24 months and has authorized the MD to appoint Investment bankers or Advisors by 30th September, 2019 to explore and implement one or more of corporate actions which will include a mix of demerger, divestment and equity infusion in our piping products business, food business of subsidiary and overseas irrigation entity to achieve the debt reduction as mandated by the Board, all to unlock value for Shareholders of the Parent Company.

Please receive the above in order, take the same on record and acknowledge.

Thanking you,
Yours faithfully,
For Jain Irrigation Systems Limited,



**A. V. Ghodgaonkar
Company Secretary**

JISL/SFC/2019/05/B-2/B-6

31st May, 2019

To,
Bombay Stock Exchange Ltd.,
Corporate Relationship Department,
1st Floor, New Trading Wing, Rotunda
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**Ref: Code No. 500219 (BSE) & JISLJALEQS (NSE) for Ordinary Equity Shares
Code No. 570004 (BSE) & JISLDVREQS (NSE) for DVR Equity Shares**

Sub: Investor Communication

Dear Sir/Madam,

Attached is the Investor Communication issued by the Company after the Board Meeting held on 30th May, 2019 for your record and reference.

Please receive the above in order and acknowledge.

Thanking you,

Yours faithfully,

For Jain Irrigation Systems Limited,


A. V. Ghodgaonkar,
Company Secretary



DRIP
IRRIGATION



SPRINKLER
IRRIGATION



INTEGRATED
IRRIGATION
SOLUTIONS



CONTROLLED
AGRICULTURE &
GREEN HOUSE



TISSUE CULTURE
PLANTS & NURSERY



PVC PIPES &
FITTINGS



PE PIPES &
FITTINGS



PLUMBING
SYSTEMS



INTEGRATED
DRINKING WATER
SOLUTIONS



PLASTIC
SHEETS



SOLAR ENERGY
GENERATION &
APPLIANCES



SOLAR PUMPING
SYSTEMS &
SOLUTIONS



FRUIT
PROCESSING



ONION & VEGETABLES PROCESSING



SPICE PROCESSING



SOCIAL INITIATIVES



Jain Irrigation Systems Ltd.

Small Ideas. Big Revolutions.®

Q4 & FY19

**INVESTOR
COMMUNICATION**

The journey of Jain Irrigation Systems Ltd. started with a young boy who wanted to excel at his studies, even if it meant studying under the only lamp in his village. His determination and ideas revolutionised the face of the agricultural industry in India and in turn, he was recognised globally for his work.

But more than recognition, it was his devotion to do good for the society that gained him the affection of millions.

In no time, our founder chairman, Late Mr. Bhavarlal Jain became 'Bhau' (brother) for all those who worked with him. His journey became an inspiration and his legacy laid the foundation of JISL.

Bhau nurtured every member of JISL in such a way that they adapted these values as their own with the same commitment and passion. To the point that the lesson of unity runs in the DNA of the organisation and each member of JISL is its proud guardian. Across geographies, JISL leadership and management team is experienced with an established track record over decades.

Fortune magazine hailed JISL as the only Indian Company in the top 51 companies who change the world by 'Doing Well by Doing Good'. Even when we've come so far, all the services and achievements of JISL are direct outcomes of this deep-rooted value. The principles of staying and working as one aren't just things that we write on the wall. They're commitments held by every associate, stakeholder partner and farmer. They're tenets that have stood true through time and have been shared between generations. They're values that live in the stories of the associates of JISL.



Highlights

- Growth in consolidated annual income of 10% and net profit of 15%.The growth made possible mainly by good performance in the first three quarters
- Growth in overseas business more than domestic business
- JFFFL (Food Business) achieves 16% growth in revenue and better profits in India compared to earlier year
- Higher EBITDA margins in Plastics business as compared to PY
- Q4 business lower than expectations. Reasons like tight liquidity in rural markets, draught conditions in certain parts of India, slowdown due to code of conduct for general elections – affected the sales and collections from receivables
- Rise in receivables, leading to higher DSO in overall working capital
- Effective rate of Income Tax is higher for FY 19,leading to a decline in PAT of 17% on y-o-y basis in standalone, though PBT is higher by 11%

Way Forward

- As regards the debt, the Board has resolved to bring down the debt of the Company and its subsidiaries by at least Rs 20 billion over a period of 12 to 24 months. This would include a mix of corporate actions of demerger, divestment and equity infusion in our food and plastic business in India and overseas irrigation business. We would appoint bankers to guide us through this process by September 2019
- Focus on implementation of existing order book of Rs 51,520 mn while bringing down receivables
- Company to focus on overseas orders of MIS and Plastics which are secured and will have receivable cycle of 90 days

Financial Performance: Q4 FY19

Standalone

Rs. Mn

	Q4FY19	Q4FY18
Revenue	13,346	15,497
EBIDTA	2,907	3,008
PAT	823	1,594
Cash PAT	1,205	2,085

- EBIDTA Margin for Q4 FY19 stood at 21.8%
- PAT lower due to higher effective tax in FY 19, as compared to MAT in FY 18
- PBT lower by 14% to Rs 1,436 mn
- Finance Cost decreased by 16.6% to Rs 713 mn
- Depreciation decreased by 22.3% to Rs 381 mn

Consolidated

Rs. Mn

	Q4FY19	Q4FY18
Revenue	25,831	27,478
EBIDTA	4,364	4,314
PAT	562	927
Cash PAT	1,281	1,797

- EBIDTA Margin for Q4 FY19 stood at 16.9%
- PAT decreased by 39.4% due to forex translation impact
- Finance Cost decreased by 14.9% to Rs 1,129 mn
- Depreciation decreased by 17.3% to Rs 720 mn

Financial Performance: FY19

Standalone

Rs. Mn

	FY19	FY18
Revenue^	44,428	42,131
EBIDTA	8,505	7,597
PAT	2,345	2,811
Cash PAT	4,071	4,713

- Positive revenue growth
- EBIDTA Margin for FY 19 stood at 19.1%
- PAT decreased by 16.6% due to higher tax rate
- Finance Cost increased by 12.3% to Rs 3,099 mn
- Depreciation decreased by 9.3% to Rs 1,726 mn

Consolidated

Rs. Mn

	FY19	FY18
Revenue^	85,769	78,955
EBIDTA	12,577	11,520
PAT	2,542	2,213
Cash PAT	5,671	5,599

- Positive revenue growth
- EBIDTA Margin for FY19 stood at 14.6%
- PAT grew by 14.9%
- Finance Cost increased by 7.3% to Rs 5,137 mn
- Depreciation decreased by 9.3% to Rs 3,129 mn

Segment Overview: Q4 FY19

Standalone Revenue

Rs. Mn

	Revenue	Growth y-o-y
Hi-tech Agri Inputs	8,407	-5.5%
Plastic	4,623	-27.2%
Other	315	24.6%
Total	13,346	-13.9%

- In Q4, growth lower than expectations due to purchase deferral by end users and delay in project business of plastic products.

Consolidated Revenue

Rs. Mn

	Revenue	Growth y-o-y
Hi-tech Agri Inputs	14,291	-2.2%
Plastic	5,551	-20.3%
Agro	5,365	5.5%
Other	625	-23.0%
Total	25,831	-6.0%

- Consolidated revenue sequentially higher by 26.7% at Rs. 25,831 mn

Exports from India

Rs. Mn

	Q4 FY19	Growth y-o-y
Hi-tech Agri Inputs	480	-54.6%
Plastic	366	49.1%
Agro	1,627	13.4%
Total	2,473	-9.7%

- Exports from India at 15% of the India revenue

Segment Overview: FY19

Standalone Revenue

Rs. Mn

	Revenue	Growth y-o-y
Hi-tech Agri Inputs	25,166	8.2%
Plastic	18,354	4.2%
Other	908	-28.1%
Total	44,428	4.5%

- Overall growth in the year, despite under-performance in Q4

Consolidated Revenue

Rs. Mn

	Revenue	Growth y-o-y
Hi-tech Agri Inputs	44,239	8.1%
Plastic	21,307	6.9%
Agro	18,392	16.0%
Other	1,831	-18.2%
Total	85,769	8.6%

- Foods Subsidiary growth higher in overseas

Exports from India

Rs. Mn

	FY19	Growth y-o-y
Hi-tech Agri Inputs	2,653	-20.8%
Plastic	1,742	23.6%
Agro	4,508	6.3%
Total	8,904	-1.1%

- Exports from India at 17% of the India revenue
- Hedging of forex risk has been favorable

Order Book Position : FY 19

Standalone

Rs. Mn

	Order Book Position
Hi-tech Agri Inputs	23,288
Plastic	9,879
Other	483
Total	33,650

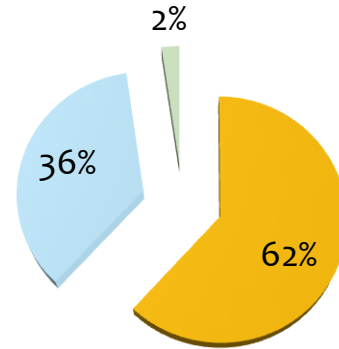
Consolidated

Rs. Mn

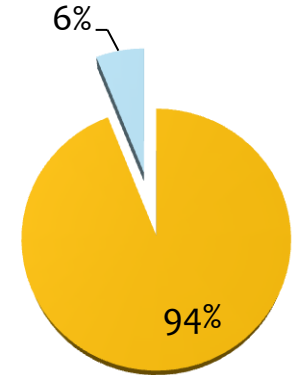
	Order Book Position
Hi-tech Agri Inputs	28,624
Plastic	10,157
Agro	11,566
Other	1,173
Total	51,520

Revenue Overview : Q4 FY19

Standalone

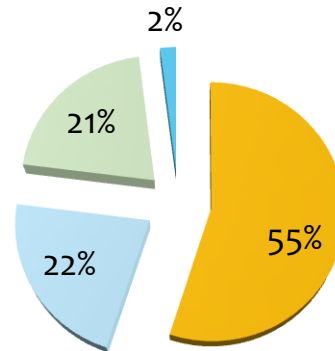


■ Hi-Tech ■ Plastics ■ Other

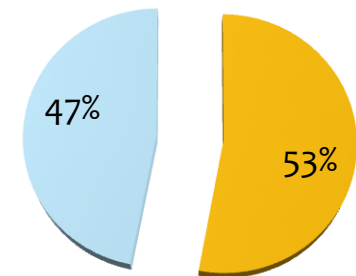


■ Domestic ■ Export

Consolidated



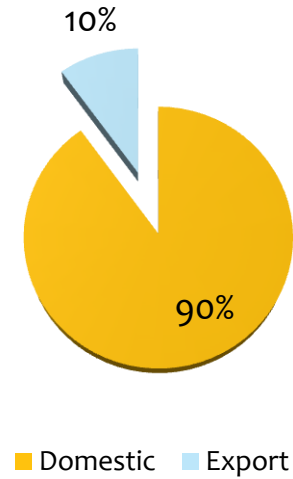
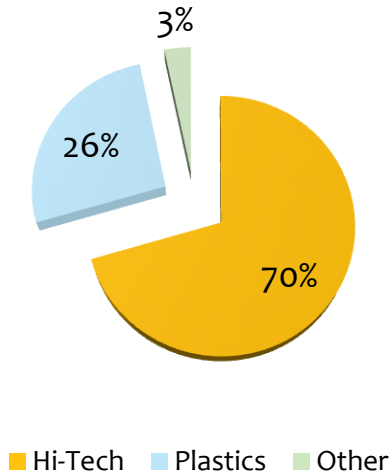
■ Hi-Tech ■ Plastics ■ Agro ■ Other



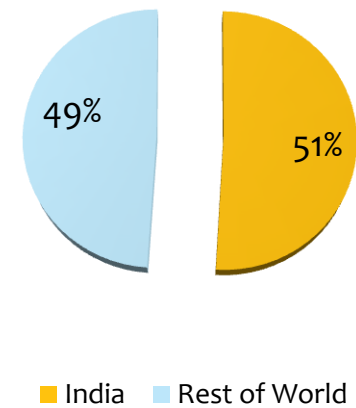
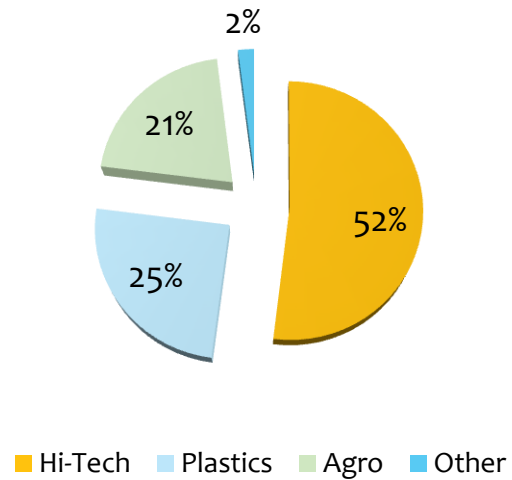
■ India ■ Rest of World

Revenue Overview : FY19

Standalone



Consolidated



Standalone

Days	DSO Mar 31, 2019			DSO Dec 31, 2018			DSO Mar 31, 2018		
	Inventory	AR	Net WC	Inventory	AR	Net WC	Inventory	AR	Net WC
Hi Tech	90	238	250	105	190	206	83	179	165
Plastic	27	132	69	37	103	89	43	90	21
Standalone Co	68	198	182	81	156	164	73	146	115

- Inventory better compared to earlier periods
- Receivables higher due to temporary effect

Consolidated

Days	DSO Mar 31, 2019			DSO Dec 31, 2018			DSO Mar 31, 2018		
	Inventory	AR	Net WC	Inventory	AR	Net WC	Inventory	AR	Net WC
Hi Tech	91	162	196	116	128	170	87	139	152
Plastic	41	113	69	50	91	92	57	85	37
Agro	215	60	177	240	55	187	239	73	195
Consolidated Co	110	127	162	129	103	158	116	115	140

- Good improvement at inventory levels
- NWC in food business improved by 18 days y-o-y
- NWC for Consolidated Company close to December '18 level

Working Capital Analysis

MIS Analysis - India

MIS –Revenue

Rs. Mn

	Q4FY19	Q4FY18	FY 19	FY 18
Retail	4,087	4,818	12,843	13,542
Project	3,502	2,793	8,264	4,976
Domestic Total	7,589	7,611	21,107	18,518
Export	479	1,057	2,653	3,351
Total	8,069	8,667	23,760	21,869

MIS –Receivables

Rs. Mn

	31-Dec-17	31-Mar-18	31-Dec-18	31-Mar-19
Retail	1,961	1,358	1,761	1,868
Govt. Subsidy	4,157	4,018	4,050	4,077
Project	3,090	3,891	4,514	7,481
Export	1,408	2,119	3,004	2,814
Total	10,616	11,387	13,329	16,240

Debt Position

	Rs. Bn			
	Mar 31, 2019	Dec 31, 2018	Change QoQ	Mar 31, 2018
Standalone				
Long Term	7.90	7.72	0.17	6.44
Short Term	8.46	9.03	-0.57	5.58
Gross Debt	16.36	16.76	-0.40	12.02
Net Debt	16.05	16.35	-0.30	9.37
Consolidated				
Long Term	31.82	32.01	-0.19	28.12
Short Term	19.17	19.32	-0.15	14.98
Gross Debt	50.99	51.34	-0.34	43.09
Net Debt	49.54	49.89	-0.35	38.91

- 17% of gross debt (standalone) & 67% of gross debt (consolidated) is in foreign currency as of Mar 31, 2109

Standalone Long Term Foreign Currency Loan (FCL) Repayment Schedule

Year	FY 20	FY 21	FY 22	FY 23-25	Total
Eq. US Dollar mn	13.15	12.94	2.69	1.54	30.33*

*The Company has hedged US\$ 13.50 mn of its long term foreign currency loans

Jain Irrigation – A snapshot

1963

Started our trading business in agricultural inputs and equipment. Company has

30 manufacturing plants

5.2mm

Farmer lives have been touched

Rs 88 bn

Revenues in 2018-19

12,200

Associates globally



Incorporated in
1986



10,555+
Dealers and distributors base globally



120+ countries reached through our products



#1
Micro-irrigation company in India



#2
Micro-irrigation company globally



#1
Manufacturer of plastic pipes in India



#1
In mango processing globally



#1
In tissue culture production of banana and pomegranate globally



#3
In onion and vegetable dehydration globally

Touching lives in more ways than one



Smart Irrigation Solutions & Precision Agriculture Technologies for Sustainable Future

• Precision Irrigation - Integrated Solutions for Command Areas

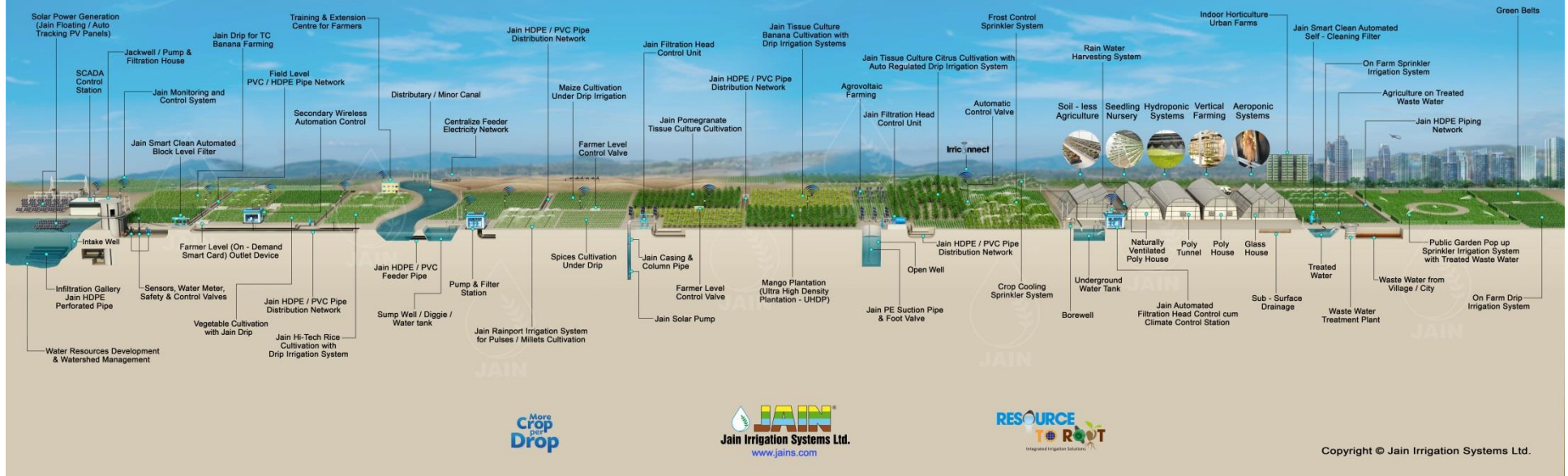
• Modernisation of Canal Networks with Integrated Irrigation Solutions

• Community Well Based Solar Powered Integrated Irrigation Solutions

• Hi - Tech Integrated Agriculture Solutions

• Precision Farming Solutions - Environment Controlled Agriculture

• Treated Waste Water Reuse for Agriculture through Micro Irrigation



Water Wise: More Crop Per Drop



16

Onion Processing

2nd largest onion dehydrator in the world

Key highlights

- First plant established at Jalgaon in 1995
- 2 plants in India and 1 in US, with total capacity to manufacture ~34,700 MT of product
- Catering to major players in dehydrated soups and ready to eat/cook products in 28 countries
- Fully automated, longest dryer developed and commissioned for onion dehydration
- Conversion of Dryer from Steam heated to hot air heated, resulting in 20% increase in production capacity
- Has also successfully done a pilot project for fresh fruits

Product Range

Onion dehydration



Fruit Processing

Largest mango processor in the world

Key highlights

- First plant established at Jalgaon in 1997, to manufacture Aseptic fruit purees and concentrates
- Clarified Juice production and frozen pulp processing started in 2006-07
- UHDP for mango developed and commercialized in 2011
- Catering to major players in juice, baby foods and confectionaries in 38 countries
- Developed the concept of ECRC based ripening for Mango, first time in the world
- Developed and implemented Hot Water System for Mango to reduce wastage during ripening

Product Range



Spices Business

One of the largest Spice processing facilities in India

Key Highlights

- Only Integrated facility right from Drying to Milling.
- Complete Agri value chain from Seed to Processing.
- Contract Farming planned with more than 5000 Farmers.
- Plant processes 100% pure spices in Dry & Wet form.
- Technology to retain volatile and essential oil content of spices.
- Capable to produce 100% Steam sterilized products.
- Allergen Free Facility
- Four independent processing lines ~ dedicated line for Chili, Root Spices, Seed Spices and Pepper.

Product Range



Global Brand Equity

MICRO IRRIGATION SYSTEMS & EQUIPMENTS - MORE CROP PER DROP®



PLASTIC PRODUCTS - YOUR LIFELINE TO PROSPERITY®



GREEN ENERGY PRODUCTS - JOINT VENTURE WITH NATURE



FOOD PRODUCTS - YOUR RECIPE FOR GREAT TASTE



➤ Jain Irrigation bags one more order of Integrated Micro Irrigation Project in Karnataka

- Jain Irrigation has been awarded yet another order of Integrated Micro Irrigation Project in Karnataka. The project is based on "**Resource To Root**" concept pioneered by Jain Irrigation, which fulfils both the objectives of PMKSY (**Pradhan Mantri Krishi Sinchai Yojna**) i.e. "**Har Khet Ko Pani**" and "**Per Drop More Crop**" to bring the reforms in irrigation sector. This project is based on unique concept of integrated Lift cum Drip irrigation project which is incorporated on such a large scale in canal command areas. This project is basically planned for improving water use efficiency in canal command areas through conduit distribution and use of Drip Irrigation system from main canal onwards. Stated outlay of the project is INR 584 crores.

➤ Jain Irrigation, Inc., acquires smart irrigation pioneer ETwater:

- The acquisition will expand ETwater efficiencies throughout the U.S. and now worldwide to become a gold standard in sustainable water management globally. The cloud-based ETwater platform takes environmental data from multiple sources, including landscape specific information such as plant types, soil, slope conditions, and more to generate an automated, scientifically calculated watering schedule that will adjust as the weather changes. ETwater patented technology integrates data science, machine learning and predictive analytics about weather forecast and environmental variables to automatically, optimally adjust site-specific irrigation schedules.

➤ **Jain Irrigation Receives Rs.1.27 Bn Export order from RWANDA:**

- Jain Irrigation Systems Limited announced a \$18.27 Million (Approx. INR 127 Crores) contract by Rwanda Agriculture Board (RAB), Kigali, Rwanda for irrigation and watershed development (1220 /1752 Ha) in Mahama Sector under Export Targeted Modern Irrigated Agriculture Projects in Rwanda. Project is financed by EXIM Bank of India under Gov. of India Line Of Credit (LOC) program. JISL has full responsibility of development infrastructure for various irrigation systems viz. Sprinkler Irrigation, Center pivot & pipe hydrant system and all irrigation systems will work under gravity and as EPC contractor JISL has ability to design the same. JISL intends to complete the project in next 18 months.

➤ **Jain Irrigation to execute Integrated Drip Irrigation project in Vidarbha region**

- Jain Irrigation to do Integrated Drip Irrigation project in Vidarbha region through a project worth INR 2.4 bn. More than 10,000 farmers and 20,748 acre command area covering 65 villages of Arvi Taluka of Wardha district of Maharashtra will benefit from the project. The project shall be executed within 24 months. This project aims to improve water use efficiency up to 90% (from existing 35%) in canal command areas by using Pressurized Piped Distribution Network (PDN) and On-Farm Micro Irrigation (Drip/Sprinkler) system as per the mandate of GoI under PMKSY.

➤ **Jain Irrigation bags India's Largest Major Irrigation Project**

- Jain Irrigation Systems Limited has received Letter of Intent from Water Resources Department, Government of Madhya Pradesh to execute the Mohanpura Major Project. In this project, the total Cultivable Command area of 228,475 acre is to be brought under Micro irrigation. The value of the project is INR 9.8 bn and the project is to be completed in 36 months. This pressurized piped irrigation project is to be designed in such a way that every farmer will be able to attach their micro irrigation systems at a later stage to the outlets provided at every 1 Ha level.

➤ **Jain Irrigation gets 6 Plex Council awards -PVC Foam sheet, Pipes & Hoses and Micro-Irrigation Departments**

- Jain Irrigation Systems Limited has won the export awards in all three different groups (PVC Sheet, PVC pipes and hoses and drip-irrigation departments) for the first number in 2015-16 and 2016-17. The Company was felicitated in a grand ceremony held in Hotel Leela, Mumbai at the hands of Union Commerce & Industries Minister Suresh Prabhu.

- **More farmers moving over to micro irrigation in Tamil Nadu**
 - Tamil Nadu, which faced criticism of wasting water resources, is showing signs of catching up with other southern States such as Andhra Pradesh and Karnataka in taking to micro irrigation as the State government had decided to absorb the tax of 12% on micro-irrigation systems as an additional subsidy. Under the scheme, 100% subsidy is being provided to small and marginal farmers (owning up to 2.5 hectares) and 75% subsidy to other farmers.
- **Government's special scheme for the installation of solar pumps and grid-connected solar power plants**
 - The scheme is divided into three different components - installation of standalone solar pumps, solarisation of grid-connected pumps and commissioning of grid-connected solar power plants. Through this scheme, the government targets to add 25,750 MW of combined solar capacities (all three components) by the year 2022.
- **Gail to list Gail Gas, plans ₹54,000 crore capex in 2-3 years**
 - The Maharatna firm has planned a capital expenditure of ₹54,000 crore, which it will spend over the next two-three years in laying of gas pipeline network that will feed households and industries such as fertiliser plants. Out of this, Gail plans to invest ₹12,000 crore in city gas distribution networks to retail CNG to automobiles and piped natural gas to households



Thank You

TRANSCRIPT OF ANIL JAIN'S INTERVIEW TO CNBC TV18 ON 10th JUNE 2019

CNBC ANCHOR:

Can you give us a timeline by when would you sell the pipes business and how much will you know, will you raise, how much, uh, is the current determined how much debt would be paired because of this move?

ANIL JAIN:

Okay. So, uh, I need just few minutes to give you a little bit of a background and briefing. It's important. It will tell you a strategic and sensitive issues where I need to be very clear. So we had a meeting, a board meeting on 30th may since then. We also given a communication year. And to the market, that a company's looking to reduce debt by at least 2000 Cr. as soon as possible. And we have said that that could be possible in terms of through raising of equity monetization. And we said it could happen through either food business. also piping business. And our oldest is irrigation business. And we have reviewed, you know, interest from various investors looking at all these three different businesses and somewhere invest. The interest could be from private equity, some very, it could be uh, let us say from sovereign funds, and so on.

But first, let me talk about the debt which we have. We have total about debt, 5,000 Cr. on the company's balance sheet as of March. Now when you look at the composition of the debt, there is no large amount of debt which is falling due. So we have a one, 1500 Cr. of debt, which is due in February 22. So we have almost three years to take care of that. Then most of the debt is working capital debt, which is there as long as we are invented and receivables, which is almost close to 3000 crores and little bit of debt we have, which is the long term funds, ecbs et cetera. On an average, the repayment in a year is only 250 to 300 cr. where as our Ebitda as of 1200 crores. for march 19. And that, it will grow further.

So as such, there is no crisis of the debt in the company. However, having said that, this 5000 crore debt and 5000 crores equities one, two, onebut but the board has decided because opportunity is so large in each of our business, but to make business more sustainable, especially in the current environment, we must reduce the debt and management has agreed. We have decided together that we will appoint bankers very soon to go through the process and wherever, whichever our business we can get, the faster reduction of the debt, we would go out and do it. But as of now, I can't confirm or deny a specific transaction, for specific business. These things will happen, but direction is very clear. So two things are very clear 5000 crore of debts but no imminent debt falling due, there are no defaults none of that story is correct.

Second, the underlying businesses which were built, I just would like to share with you very quickly on comparables. Our piping business has already 2500 crore rupees of revenue and it is growing double digit. Uh, our overseas irrigation business also has a lot of intrinsic value and based on the comparables for each business there is a substantial intrinsic value already created. It is not today seen in the stock market. It is not seen for multiple reasons

and we have decided that we must bring clarity to the structure also. So the idea is also that these businesses can be separated and we can have different type of investors to come in

CNBC ANCHOR:

So Mr. Jain, you started by saying you've received interest from various investors in the pipes business particularly. Have you received any interest?

ANIL JAIN:

We have, yeah. You know, we have definitely research interests. We have been receiving interest through few merchant bankers over last in fact few months. Then you know, the deliberations at the board level or post receiving some preliminary interest etc. that people think, you know, India is looking right or next five years that "Har nal mein paani" and that is all going to happen through pipes. Right now they're only 11 cities is where you get the pipe supply, gas supply to your home through pipes. Now they're going to be 400 cities and we have good, you know we have a leadership position in all of these. We are going to be the first company which is now going to make 2.5 metre dia pipe which is going to replace open canals. So Government has huge plans on the infrastructure on these so that people have interest, because we have a leadership position in terms of technology market share and we are a solution provider.

We are also providing solution for drinking water. We are building a network for the entire cities in terms of 50,000 to 100,000 thousand consumers for example in Pune city right now. So there is a, you know we are not merely a pipe supplier with a solution provider, so the investors strategic or otherwise are able to see that kind of value, intrinsic value we bring to the table where business has great opportunity to let say double or more than double in the next five years, not just in earnings and revenue but overall value. Also, so we're quite bullish about underlying business. We see that we have a strong assets, we continue to believe that we will grow at the same time, the debt, even though our Debt is quite well distributed right now and there is no pressure on the Debt or repayments or a obligation issues, but at the same time we feel doing this way would allow us to continue to grow for next five to 10 years. For example, if you also look at this,

CNBC ANCHOR:

Oh yes, Mr Jain. Uh, when you spoke about interest in all the three businesses. While we do understand there is a pipe with the business for which you have appointed an investment banker. You know, for a very long time there has been reports about uh, in Jain Irrigation looking to, look for an IPO of the food aggro, the food business, agro processing business at valuation of close to \$1 billion. It's been a very long time that they know what there has been done of reports, but we've not seen anything of that materialized in the last four to eight quarters. Are Any plans for an IPO of the food business because that's again, it's a business which is growing at a steady, steady growth and 1900 crores of revenue in FY 19 can you give us uh, some, some sort of a hint on this to by when you're looking to look at an IPO of the food business?

ANIL JAIN:

See a food business as you rightly said is 1900 crore and it grew about I think 16% last year, 16-17% we, I think we are planning good growth this year. The issue of we faced here in last couple of years in the food business was that the mango, which is one of the major product it has, the prices had crashed for mango by almost 50% and that would always impact the revenue because you know, you're raw material price. This is due to depletion on the food side overall and despite that we have grown 15 to 16% but now we have added the Spice processing business we have now launched our B2C business. So as these things mature in the current year, I think food would be ready to go for IPO. Also. That depends on the market opportunity, market sentiment, et cetera. I think the post election, there is a positive momentum on that. So again, I cannot commit any unless the fixed, it is not, Eh, I cannot make any wrong or misleading statements about how soon or when. But I think our direction is very clear that we, we see large amount of value on a very strong businesses and while there is no emergency in terms of cash or debts

CNBC ANCHOR:

so I just wanted a clarification on that. Mr Jain, or you did say that you have a 1500 crores bond issuance that is due in Feb 2022 yeah. But immediately over the next six months, what are the liabilities that you have coming up and although they may not be a default, is there any delay in repayment.

ANIL JAIN:

No delay in repayment. And in fact, if you see the next six months between let's say now and November, right? Uh, hardly 50 crore rupees of loans are falling due and company has large cash flow, as I said. So I do not see that as an issue at all whatsoever. I mean, these are all well taken care of, very spaced out, a long term Debt distribution. We don't have any pressure on the debt.